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HAS PUBLIC POLICY-MAKING BECOME A FULLY-FLEDGED FUNCTION OF PUBLIC ADMINISTRATION IN THE REPUBLIC OF SERBIA?**

Abstract: This paper examines the role of public policy-making by public administration in Serbia as one of the fundamental functions of public administration. By analyzing the normative framework and its application, the paper explores its historical development and advancement in recent decades. A set of regulations from 2018, including the Planning System Act and accompanying bylaws on the policy-making methodology, have laid the foundation for modern, evidence-based public policy in Serbia. Using qualitative methods, including normative-dogmatic and document analysis, the authors review the developments thus far and provide recommendations for further strengthening of this function of public administration in Serbia.

Keywords: public policy, public administration, governance, Serbia, reform, normative framework, effectiveness.

1. Introduction

The positive law of the Republic of Serbia, embodied in the Constitution, legislative and other regulatory acts, defines the functions of the public and primarily state administration, including the specific types of tasks: participating in shaping government policy; monitoring conditions in specific administrative areas; enforcing laws, other regulations, and general acts; resolving administrative matters; conducting inspections; overseeing public services; developmental

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tasks, and other professional tasks. However, in administrative law theory and education, very little attention is given to the first of these functions even though this function has recently been extensively regulated and developed. The established comprehensive normative framework for the preparation of public policy documents is an important foundation for results-based management and, therefore, a basis for the desirable public accountability of the public sector (Atanasijević, Aleksić, Štimac, 2015: 147; Dimitrijević, Vučetić, 2021: 46). All of this is meant to enable an increased effectiveness, openness (transparency) and accountability of public administration, ultimately leading to a better quality of life for all citizens. In the EU enlargement strategy for 2011 and 2012, in addition to the adoption of the *acquis communautaire* (through 35 chapters), the European Union started focusing on public administration and its reform, including strengthening of its policy-making function and capacity (European Commission 2011: 4; Fink-Hafner, 2013: 41-42; Ker-Lindsay et al., 2017, 513-514).

Over the last decade, under the influence of the New Public Management doctrine, performance management has been introduced into the work of state administration worldwide, including the developing countries (Dimitrijević, Vučetić, 2021: 49). In corporations, performance indicators are defined in terms of contributions toward company goals, the most important of which is profitmaking. In the public sector, performance indicators are derived from public policy goals. In the next step, this is compared with inputs, i.e. the money spent across the entire administrative territory, parts of the territory, or at the level of individual institutions. In this way, performance management (i.e. the mechanisms used to ensure the efficient fulfillment of the purpose of public administration) is directly linked to the planning system, i.e. the public policymaking. Such a planning system serves to set goals, design instruments, and develop indicators that would ensure the monitoring of effects and subsequent evaluation of specific government interventions (Behn, 2003: 588; Bovaird, Löffler, 2009: 15; Bouckaert, Halligan, 2008: 28; Hood, 1991: 5; Ingraham & Donahue, 2000: 407; Moynihan, 2008: 6; Polit, Bukart, 2022: 57).

According to the State Administration Act, "State administration bodies prepare draft laws, other regulations, and general acts for the Government and propose development strategies and other measures to the Government that shape Government policy", and these tasks cannot be entrusted to other administrative bodies.¹

The aim of this paper is to provide an overview of the established normative-regulatory framework for public policy-making by the Serbian public administration and identify possible gaps in terms of preconditions for fully fledged policy-making functions in public administration. The paper posits the

¹ Article 12 of the State Administration Act, *Official Gazette of the Republic of Serbia*, Nos. 79/2005, 101/2007, 95/2010, 99/2014, 30/2018 (another Act), 47/2018.

hypothesis that the central precondition for success in a long-term sustainable development in the Republic of Serbia, including several important structural reforms, is a comprehensive and systematic approach to the function of public policy-making, including the capacity in public administration, the latter being tightly related to the appropriate education programs and reform thereof. Through a case study analysis of Serbian policy-making and planning reform, the paper will demonstrate how properly formulated and implemented public policies can enhance the effectiveness of government in terms of impact of all reforms and activities aimed at improving the citizens' wellbeing and enabling good governance and greater accountability of public administration authorities towards citizens.

To test these hypotheses, a qualitative research methodology will be employed, including a normative-dogmatic approach and document analysis. This approach allows for a deeper understanding of the complexity of the public policy-making function within public administration and -identification of key factors that contribute to its successful implementation. Hence, the paper will contribute to the scientific field by providing new insights and recommendations for improving the functioning of public administration in Serbia. Some of the presented evidence originate from the direct insights into the policymaking reform in Serbia, given the fact that the first coauthor of this paper was the first director of the Public Policy Secretariat (PPS) of the Government of Serbia in the period 2014-2018, in charge of designing and conducting the policy-making reform in the Republic of Serbia.

2. A brief overview of the state planning origins in the Republic of Serbia

Before addressing the subject matter of our paper, it is necessary to outline the impact of the socialist legacy on today's approach to planning, specifically on the tradition of state planning in Serbia. This tradition has been present since the post-World War II times, including the period of socialism, when five-year social development plans were prepared (Čepo, 1986: 79). At that time, the Federal Planning Institute was established at the federal level to provide expert support in drafting development plans, in close cooperation with the Federal Statistical Office. This form of planning ceased to have full function after the five-year development plan of 1965, but the practice and an entire system of institutions and expert services within federal ministries remained, including various state institutes that provided decision-makers with necessary expert analyses (Maričić, Cvetinović, Bolay, 2018: 7). The major development directions were determined within the Communist Party and were transmitted through party officials to various decision-making bodies,

including local governments and economic organizations. In those post-war years, when the state systematically began to provide for common needs, the approach was far less participative, more centralized, and directive. When compared with solutions in other countries, the solutions were simpler and more universal (e.g., connections to water supply, electricity, and district heating were introduced; the entire population was included in mandatory education and health insurance systems; employees were insured against unemployment; the right to compensation was provided, as well as assistance in job-seeking, etc.).

Since the early 2000s, Serbia has undergone a broad and comprehensive transition reforms driven by the central idea of switching to a market economy and its accompanying institutional framework (Stojanović, 2018: 27; Uvalić, 2012: 92-97). In this period, public policy-making occurred spontaneously but was largely supported by international institutions and international development projects (Uvalić, Arandarenko, 2014: 233-234). The role of public administration in creating public policies was perhaps the most important. However, throughout this period, the primary method of intervention did not begin with an inclusive preparation of a strategy (i.e. by setting the policy) but was instead carried out directly through the enactment of new regulations and specific policy measures. The content of the reforms was mostly reflecting the well-known transition agenda already experienced in other Central and Eastern European countries a decade earlier than in Serbia (r initial macroeconomic stabilization, liberalization, privatization, deregulation). Another stream of policy contents was stemming from the parallel application of the EU approximation process, which involved introducing new (market) institutes and related alignment with the European Union *acquis communautaire* (Atanasijević *et al.*, 2015: 150). This period of intensive reforms was further complicated by the deterioration of the overall economic situation since 2008, when the global economic crisis broke out (Uvalić et al., 2020: 34). In the course of these intensive reforms, which are still underway, there were numerous examples of direct policy interventions where laws were amended in a short period of time (in urgent procedure) with no prior impact analysis or proper consultative process. The reform of the public policy-making function of the public administration was not comprehensively or systematically addressed during the first transition decade. There were numerous initiatives and changes, more or less successful, mostly within development projects, the results of which reflected a more modern approach in some cases (such as the introduction of regulatory impact assessment, program budgeting, and the government's normative activity plan which had no particular effect on improving management efficiency because it was not integrated into the system. Nevertheless, the state administration as a whole functioned according to old bureaucratic rules, while public policy-making and results-based management were not systematically represented. In regulatory terms, all of this was changed during the second decade of transition reforms, which will be discussed further in the paper.

3. The concept of public policy-making in Serbia

From the perspective of economic theory, the need for public policy in a particular area is explained by a situation in which the free market does not produce the most economically efficient outcome for society as a whole. Such situations are referred to as market failures, meaning that a specific societal need cannot be adequately addressed through the spontaneous operation of the market (private production and trade influenced by the mechanisms of "market competition"). In these cases, according to the criterion of economic efficiency, state intervention is considered a justified means to compensate for market failures (Chaminade, Edquist, 2010: 98; Greve, 2022: 23-37; Knill, Tosun, 2021: 25, 39).

The typical situations of market failure are as follows:

(1) When private production and trade can affect third parties who are not directly involved in the process, these are so-called positive and negative externalities. For example, if someone hires private security, all the residents of the building or neighborhood will benefit from the service (like free riders) without paying for it. As a result, this service would not be profitable for either the buyer or the seller and would therefore not be offered. This economic argument explains why defense and security are considered public goods.

(2) The next typical case occurs when buyers and sellers are not equally informed about the subject of trade, or when the execution of a contract exceeds the knowledge of one party, i.e., when there is so-called information asymmetry. For this reason, there is a requirement for the registration of medicines with the relevant state authority, and public policy in this area protects consumers by mandating that sellers provide the necessary information during the sale.

(3) When there is significant market power (a monopoly) on one side of the market, public policy is needed to protect market competition and prevent the abuse of monopoly power.

Strategic decisions (i.e. public policies) are naturally made under conditions of uncertainty and pertain to planning changes in society and economy, which are complex and can only be indirectly influenced by the state instruments (Kronsell, Mukhtar-Landgren, 2018: 1001). Decisions regarding state intervention (or its absence) in addressing issues of public interest are made within political bodies: governments, parliaments, and local authorities.

Evidence-based policy-making is one of the cornerstones of efficient and effective public administration (Yuliani, Larasati, Kismartini, Yuningsih, 2022: 1701-1703). Public policy-making is most commonly defined as a cyclical process,

the so-called continuous policy cycle (Hill, 2013: 153-160). The policy cycle stages are: problem identification (data collection, problem analysis), policy definition (setting goals, selecting measures, budgetary resources, impact assessment), implementation, monitoring, and evaluation (Jann, Wegrich, 2007: 43; Knill, Tosun, 2021: 31).

Every intervention in the realm of public policy begins with someone's initiative (Roberts, Bradley, 1991: 210). This initiative may come from a politician in power, a public petition, or as a result of routine activities of civil servants whose responsibility is to improve conditions in a particular area of public concern (e.g., public transportation, public health, employment, environment). The concept of the policy cycle mandates that the problem be thoroughly identified first. In doing so, policymakers strive to consider the perspectives of all groups affected by the issue (the so-called stakeholders), and to understand the root causes of the problem as clearly as possible. It is crucial to collect all necessary data using various research methods. In these analyses, all available knowledge is utilized to better understand the root causes of the problem and provide a basis for potential government intervention. Empirical research and analyses conducted up to that point are used, along with theories from different fields (such as economics, sociology, psychology, etc.). Information about the problem is gathered from various stakeholders, and discussions are held to assess the need for intervention and the potential effects of future measures.

The next step is to define public policy. First, realistic goals are set for a certain period, usually spanning several years. Then, measures are determined to address the root causes of the problem. It is crucial to allocate budgetary resources, as every intervention (regulation, incentives, and education) incurs costs. During the policy definition phase, there are often several options that need to be carefully weighed. One possible option is to take no action at all! An important factor in selecting measures is the assessment of their effects, as it is advisable to choose the intervention that yields the greatest results with the least resources. However, things often become more complicated, as the economic criterion is not always the prevailing one; it is also important to consider the criteria of fairness or solidarity (Knill, Tosun, 2021: 119).

Public policies are usually formulated in the form of so-called public policy documents. These are most often strategies adopted by the Government, and programs or development plans of local governments adopted by local assemblies (Jerinić, Vučetić, Stanković, 2022: 48-49). At the very top is the development plan envisaged in Article 99 of the Constitution of the Republic of Serbia (2006), which expresses the most long-term vision of development and is adopted, along with the spatial plan, by the National Assembly upon the proposal of the Government. Although expressly envisaged in the Serbian Constitution, this supreme long-term development plan has never been adopted in

Serbia, while the last spatial plan (adopted in 2010) expired at the end of 2020.² The development plan should be further elaborated by the Government through the investment plan, prepared by the Ministry of Finance, which serves as an important instrument for managing public capital investment projects. In the hierarchy of public policy documents, the development plan is paramount in terms of its significance and scope (covering 18 different planning areas). The second most important documents are Government strategies, and programs (for narrower areas) which can be adopted by individual ministries, while their operationalization is stipulated in mandatory action plans, without which a strategy cannot be valid. Along with these public policy documents, there is the Government Program, outlined in the Prime Minister's exposé to the National Assembly, which establishes the main course of action and is operationalized through the Action Plan for the Implementation of the Government Program, as an important instrument for coordination within the Government. The Economic Reform Program and the National Plan for the Adoption of Acquis *Communautaire* are methodologically structured according to EU requirements; they have to be substantively referenced in public policy documents, as these are derived plans for specific areas where coordination with the European Union is required, along with unified monitoring of their implementation.³

During the implementation period, it is advisable to monitor the execution by collecting data and reporting regularly. This is typically done by public administration officials, but non-governmental organizations can also be involved. During implementation, and certainly at the end of the "validity period" of a given public policy document (such as a strategy), good practice calls for an evaluation of the public policy effects, aimed at assessing whether the intervention was successful. Good practice also dictates that the evaluation be carried out by an independent body rather than by the public administration responsible for implementing the specific strategy (Knill, Tosun, 2021: 173-198).

However, in practice, public policymaking does not always follow the "procedural" and "linear" approach described above, step by step. In other words, not all decisions in the realm of public policy are made based on these methodologically "ideal" principles. Many factors contribute to deviations from this ideal flow in practice. Additionally, there are issues referred to as "wicked problems," such as unemployment or the lack of appropriate qualifications among job seekers, and the emigration of educated individuals. These problems require a special approach, the skill of critical reflection, interdisciplinary

² The spatial plan focuses on polycentric and balanced development of the country, covering a wide range of topics, from urban development to environmental protection. The latest Draft Spatial Plan of the Republic of Serbia covers the period 2021-2035. Early public consultation began in 2021, but the Plan has not been officially adopted yet.

³ Articles 20-22 of the Planning System Act, Official Gazette of the RS, No. 30/2018.

analytical efforts, communication skills, negotiation, as well as creativity in finding solutions and flexibility for subsequent reactions (Head, Alford, 2015: 719-728; Termeer, Dewulf, Biesbroek, 2019: 174-176).

4. Improvement of the Public Administration Planning Function in the Republic of Serbia

As already noted, in the first decade of the new millennium, public policymaking and results-based management were not systematically represented. A functional analysis of the state administration conducted by the World Bank during that period revealed that only 8% of positions in the central administration were dedicated to public policy creation and monitoring (World Bank, 2016: 26). The lack of coordination and methodological consistency resulted in many discrepancies between the enacted laws. Reforms often took place in a fragmented manner, without a clear plan or strategic framework. In practice, there were numerous examples of enacted laws that were not adequately aligned with existing regulations, thus further burdening the implementation of reforms. The disconnection between different sectors of the administration resulted in duplicate norms and contradictory regulations. The decision-making processes did not always follow the methodological framework designed to ensure the coherence and comprehensiveness of reforms.

In the Republic of Serbia, the Public Administration Reform Strategy (2014)⁴ was adopted on 24 January 2014 and elaborated in two action plans for the periods 2015-2017 and 2018-2020.

Following the first external evaluation of the 2014 Public Administration Reform Strategy, the Public Administration Reform Council issued a Conclusion, endorsing the findings and recommendations of the external evaluation and initiated the process of drafting the Public Administration Reform Strategy for the period 2021-2030.⁵ One of the many elements of the 2014 Strategy, as well as the current 2021 Public Administration Reform Strategy, focused on strengthening the planning and coordination function. The recently established Public Policy Secretariat (PPS) of the Government of the Republic of Serbia was in charge of this task. The reform of the planning function from 2014 to the present has been based on several key elements, which will be described below. This reform was thoroughly planned within the 2016 Strategy for Regulatory

⁴ The Public Administration Reform Strategy in the Republic of Serbia, *Official Gazette* Nos. 9/2014, 42/2014-corr., 54/2018.

⁵ The Public Administration Reform Strategy in the Republic of Serbia for the period 2021 to 2030, *Official Gazette of the RS,* Nos. 42/2021, 9/2022.

Reform and Improvement of the Public Policy Management System, prepared by the PPS and adopted by the Government.⁶

The basic elements of the reform were incorporated into the Planning System Act (2018).7 The first co-author of this paper was the first director of the PPS from 2014 to 2018, in charge of devising the main elements of the policy-making reform in Serbia, which was developed on the basis of numerous prior analyses and in the course of a broad consultative process (in line with the principles it promotes), and in line with two regulations later adopted by the Government: the Regulation on the Methodology for Public Policy Management and the Regulation on the Methodology for the Development of Mid-term Plans for State Administration Bodies.⁸ The idea behind these regulations was to create a system that would ensure comprehensive and coordinated planning of various state interventions, taking into account budgetary constraints and ensuring the achievement of priorities, an appropriate level of involvement of various actors within the government as well as the broader public. It also aimed to improve coordination across different areas of planning (via various responsible bodies) and to rely on established analytical tools in decisionmaking. The previous system, based on the Weberian bureaucracy principles, relied on procedures that prescribed every activity in advance, thereby shifting the burden of decision-making onto the body that adopted the procedures. The success of the public administration's work was reduced to checking compliance with procedures, with a focus on procedures related to the use of assets and budget spending (audited by the State Audit Institution). In the next subsection, we will analyze the main directions of the reform of the planning function.

4.1. The main directions of the reform of the Public Administration Planning Function

The first direction focused on establishing a methodological framework for public policy development. A public policy cycle was introduced as a mandatory methodology in the preparation of public policy documents. Procedural elements of the public policy cycle, such as mandatory consultations and reporting, were made obligatory, while "analytical" elements were introduced in a way that their implementation depends on human resources and their capabilities (Atanasijević *et al.*, 2015: 146-147). At the central level, a mechanism was established to check the "quality" of public policies, i.e. the consistency of

⁶ The Strategy for Regulatory Reform and Improvement of the Public Policy Management System for the period 2016–2020, *Official Gazette of the RS*, No. 8/2016.

⁷ The Planning System Act of the Republic of Serbia, Official Gazette RS, No. 30/2018.

⁸ The Regulation on the Methodology for the Development of Medium-Term Plans, *Official Gazette RS*, No. 8/2019.

methodology application and the coherence of the content of various public policy documents, which is overseen by the Republic Secretariat for Public Policies through its opinions. A hierarchy and connection between different public policy documents and other planning documents were introduced, along with a typology of public policy documents. The basic elements of public policy documents were defined. Thus, a strategy must include: a description of the current state of affairs, general and specific objectives, an overview of measures and indicators, a framework for monitoring implementation, a report on consultations carried out, as well as an accompanying action plan which (in addition to the aforesaid elements) specifies the responsibilities for implementation, necessary financial resources and sources, and deadlines for a period of several years.⁹ The types of measures or public policy instruments were defined to ensure the appropriate content of public policy documents and to prevent the frequent occurrence of strategies being reduced to a "wish list." The measures were categorized as: regulatory (command-and-control), informational and educational, incentive-based (various forms of subsidies), organizational (partnerships or changes in organization), and direct provision of goods and services.10

The second direction focused on linking public policy-making with other planning elements within the Government to improve management through the new planning system established by the Planning System Act (2018). Primarily, this involved connecting public policy planning with budget planning: when drafting strategies and defining measures, it became essential to define the necessary financial resources for each measure and its link to the budget program. Additionally, public policy planning was connected with management in public administration organizations; medium-term plans for state administration bodies were introduced and linked to budget planning, which now includes program-based organization (in addition to the existing functional and economic organization). Lastly, public policy planning was linked with regulatory planning; when planning public policy measures within strategies and programs, it became necessary to anticipate changes in regulations. As the goals of regulatory changes were now predefined, this strengthened the foundation and quality of the Republic Secretariat for Public Policies' opinions on regulatory impact analysis.

The third direction focused on strengthening the institutional, organizational, and professional capacities within the public administration at the central level. The Republic Secretariat for Public Policies, a new expert organization directly accountable to the Prime Minister, was established within

⁹ Art. 14. Planning System Act of the Republic of Serbia, *Official Gazette RS*, No. 30/2018.
10 Art. 24 of the Planning System Act of the Republic of Serbia, *Official Gazette RS*, No. 30/2018.

the Government. It has a function typical of central state bodies: to coordinate public policies and support in planning, as well as to perform regulatory impact analysis, which had been introduced earlier and was previously conducted by the Government's Office for Regulatory Reform and Regulatory Impact Analysis. The Office, along with all its employees, was merged into the Republic Secretariat for Public Policies. In the public administration structure, positions and duties related to public policies were formalized in the Regulation on the Competencies of Civil Servants working in state bodies.¹¹ This Regulation thoroughly regulates the behavior and general functional competencies in specific areas of work, the method of determining them, and the areas of knowledge and skills they pertain to. It also regulates study and analytical tasks,¹² encompassing areas of knowledge and skills for gathering and processing data from various sources, including the ability to critically assess and analyze available information, to prepare sectoral analyses, to prepare *ex ante* and *ex post* analysis of the effects of public policies/regulations, to identify resources and costs necessary for public policy management, to apply the methodology for preparing public policy documents and the formal procedure for their adoption, and to apply the methodology for monitoring, implementing, evaluating, and reporting on the effects of public policies.

The fourth direction focused on strengthening the employee capacities. Significant efforts were invested in this area, by providing numerous training sessions, study visits, and professional development programs, both for employees of the Republic Secretariat for Public Policies and for several hundred employees from various state administration bodies, as well as for collaborators from the non-governmental sector. The training programs were mostly financed through international development aid projects (such as IPA, etc.). Several basic training programs for civil servants are regularly organized as part of the program previously managed by the Government's Human Resource Management Service, now the National Academy for Public Administration; these regular training programs are conducted by the employees of the Republic Secretariat for Public Policies. The training programs cover specific topics related to impact analysis, strategic planning, data usage and quantitative methods, regulatory impact analysis, communication, results-based management, problem-solving, negotiation, and reporting (general training program).

¹¹ The Regulation on the Competencies for Civil Servants working in state bodies, *Official Gazette RS*, No. 9/2022.

¹² Art. 19. Regulation on the Competencies of Civil Servants, Official Gazette RS, No. 9/2022.

5. Concluding Remarks and Recommendations

As the analysis has shown, at the beginning of the transition period, the lack of systematic application of analytical tools resulted in numerous weaknesses in decision-making and public policy implementation processes. Problems in evaluating and monitoring the implementation of public policies led to a lack of feedback, which is crucial for the continuous improvement and adaptation of public policies. The absence of prior impact assessments on citizens and the economy often led to negative consequences and unforeseen effects that were difficult to rectify. The lack of systematic evaluation meant that many public policies were not tailored to real needs and conditions on the ground. The absence of clear methodological frameworks for monitoring the implementation of public policies made it difficult to track the progress and success of implementation. Many decisions were made without adequate use of analytical tools, resulting in fragmented and unsystematic reform implementation. Due to the lack of evaluation, weaknesses could not be identified and corrected in a timely manner, which slowed down the reforms. The absence of comprehensive analyses often resulted in adopting *ad hoc* policies, without a clear understanding of long-term effects. Evaluation and monitoring of policy implementation were not systematically integrated into decision-making processes, which reduced both effectiveness and accountability. To overcome these issues, it was necessary to improve methodological approaches, including the use of advanced analytical tools and systematic evaluation.

In the period between 2014 and 2018, the foundation for systematic public policy planning was established, embodied in the Planning System Act (2018). Along with the accompanying elements of planning reform described earlier, this significantly improved public policy-making, which was positioned as one of the most important functions of public administration. This has been consistently confirmed by a series of EU Annual Reports, which have highlighted these advancements in their commentary for several years, while also pointing out to some remaining limitations.

According to the 2023 EC Annual Report, progress in optimizing sectoral planning areas has been slow, and there is a lack of mechanisms to ensure that the Public Policy Secretariat's comments are incorporated into final drafts of laws and policy documents. Additionally, only 22 out of 40 public bodies have adopted and published their mid-term plans for 2022-2024; the absence of or tardiness in issuing annual government plans further complicates the synchronization with other strategic documents, such as the National Plan for the Adoption of the EU *Acquis*. There are also challenges concerning the systematic use of public administration data in policy-making. Coordination between the Ministry of Finance and the Public Policy Secretariat needs improvement

to avoid discrepancies in financial impact assessments. The same refers to the mechanisms for resolving inter-ministerial conflicts, which are not used. Public consultations on draft policy documents were conducted, but only a fraction of laws and regulations went through the same process; the results of these (e-)consultations are not consistently published or explained (European Commission, 2023: 16-17).

Improving coordination across different areas of public policy planning can be achieved by establishing integrated strategic plans that encompass all relevant levels of government. In Serbia, several such "tools" have been integrated into the planning system. In addition to the overarching Development Plan, it includes the Action Plan for the Implementation of the Government Program, as well as the Government's Investment Plan. Empirical evidence from the European Union shows that countries which have adopted integrated plans have achieved a greater level of alignment between national, regional, and local policies. The process of harmonizing national laws with EU legislation, known as the adoption of the *acquis communautaire*, requires a high level of coordination between national and EU institutions. Examples from new EU member states, such as Croatia and Bulgaria, show that a lack of coordination with EU institutions resulted in delays in implementing key reforms and a loss of public trust.

Due to technological advancements, large administrative databases are increasingly available for alternative use, as well as various other data that are not necessarily created for public policy purposes but can be creatively utilized to understand citizens' preferences, gather feedback, or improve the quality of public services. For example, mobile phone usage data are being employed, with the help of new analytical methods in the field of Big Data (including machine learning and artificial intelligence), to optimize public transport by tracking congestion in specific areas and routes, allowing for adjustments in the frequency of public transport vehicles accordingly. Another use of new technologies for more democratic and secure fulfillment of common needs is blockchain technology, which is already being piloted in some cities for local election voting; in some countries (such as Estonia), it is used for public property ownership registries (cadastres). Technological advancements will reshape the current role of the state, offering new opportunities for citizen participation and the provision of public services. In this regard, innovations can complement well-designed public policies by enabling more efficient outcomes, or by prompting a shift in the existing approach to public policy if conditions have changed and technology has solved problems that previously required public intervention.

All the aforementioned changes in the organization and functions of public administration must be accompanied by appropriate alignment in terms

of civil servants competencies and qualifications, as well as the trend of transforming public administration culture of unquestionable rules and impersonal bureaucracy into open and creative organizations that, much like private corporations, increasingly rely on knowledgeable individuals, who are eager to continuously learn, take responsibility, and make competent judgments within their subject-specific tasks on topics important to citizens. The key prerequisite for the efficiency of this reform lies in changing the culture within public administration but also in the broader community: from a bureaucratic and hierarchical culture to a culture of equality, critical thinking and focus on results and improvements in citizens' lives. This shift is challenging but crucial for the implementation of any strategy. It is evident that technological advancements will reshape the existing role of the state, offering new opportunities for participation and public service delivery. However, people are the key factor in successfully changing the culture in public administration. Modern public administration requires modern education. Higher education institutions need programs that train individuals to think critically, and form judgments on the basis of various sources and findings. From the above, it is clear that an efficient public sector management system, based on the public policy concept, calls for a greater reliance on people (their knowledge, judgments, and communication) and a lesser reliance on detailed procedures that prescribe every step in policy-making, which is perceived as a strategic thinking process rather than a proper administrative processes. To achieve this goal, some of the elements of the bylaws regulating policy-making and mid-term institutional planning may be considered for revision, in the direction which would relax the procedural aspect and open space for introducing soft elements of governance and methodology aimed at providing well-designed solutions to public policy issues by the public administration.

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ДА ЛИ СЕ КРЕИРАЊЕ ЈАВНИХ ПОЛИТИКА РАЗВИЛО У РАВНОПРАВНУ ФУНКЦИЈУ ЈАВНЕ УПРАВЕ У РЕПУБЛИЦИ СРБИЈИ?

Резиме

Овај рад испитује једну од основних функција јавне управе у Републици Србији - креирање јавних политика. Након кратког историјског осврта на реализацију ове функције током период социјалистичког управљања, и током транзиције 90-тих година XX века, анализира се нормативни оквир који је успостављен у последњој деценији, са фокусом на Закон о планском систему и пратеће подзаконске акте Владе. Ови прописи успоставили су темеље за модерно обављање функције креирање јавних политика у Србији. Кроз квалитативну анализу, укључујући нормативно-догматски приступ и анализу докумената, рад нуди препоруке за унапређење ове функције јавне управе, са акцентом на употребу аналитичких алата и системски приступ реформама.

Кључне речи: јавне политике, јавна управа, Србија, реформе, нормативни оквир, креирање јавних политика.